

HUMAN SERVICES BOARD

INTRODUCTION

FINDINGS OF FACT

1. In April 2004 the petitioner and her child, who were facing homelessness at the time, applied for EA for a deposit for them to move into a new apartment. The apartment cost \$750 a month rent, plus a deposit of one month's rent. The petitioner told the Department that she would be sharing the apartment with her boyfriend and that her share of the rent and deposit would be 2/3 (\$500), and her boyfriend's share would be 1/3 (\$250). The Department granted the application and issued a \$500 EA vendor payment of \$500 to the prospective landlord. At the time the petitioner was receiving Reach Up

Financial Assistance (RUFA) benefits of about \$610 a month, although she was about to start a job after being on RUFA assistance for about ten years.

2. For reasons not explained at the hearing, the petitioner never moved into this apartment, and the vendor payment went unused.

3. The petitioner reapplied for EA on June 29, 2004. By that time she had been working three months at a job that paid her \$772 a month in gross wages. On her application for EA the petitioner indicated she had found an apartment for \$900 a month and that she needed a deposit in that amount in order to move in. The petitioner again told the Department that she was going to share the rent on the new apartment with her boyfriend, with her share 2/3 (\$600) and her boyfriend's 1/3 (\$300).

4. The Department maintains that after it told the petitioner that it didn't think she could afford a rent payment of \$600 the petitioner told them she could arrange it so that she paid half (\$450) and her boyfriend the other half. At the hearings in this matter, held on July 28 and August 18, 2004, the petitioner denied that she told the Department that her share could be one half. However, there is no dispute that following the petitioner's application the Department

issued an EA vendor payment to the landlord for \$450, and the petitioner and her boyfriend moved in.

5. The petitioner maintains that she and her boyfriend still owe \$250 toward the deposit. The petitioner argues that the Department should have paid her an additional \$150 of this as her share of the responsibility for this deposit. The Department maintains that if it knew the petitioner's share of the rent and deposit was 2/3 it would not have approved any payment for a deposit on this particular apartment. The petitioner does not allege that she presently is in any imminent risk of being evicted for nonpayment of this portion of the deposit.

ORDER

The Department's decision is affirmed.

REASONS

Under Section 2813.2 of the EA regulations, "aid in procurement of permanent housing", which includes rent deposits, are subject to the following conditions:

(a). . .Any grant toward housing whose cost exceeds 60 percent of the EA household income eligibility standard must be reviewed by a supervisor for feasibility and have supervisory approval documented. The basis of approval will be an evaluation of whether the applicant will be able to maintain rental payments at this level based on such factors as, (sic) availability of other resources

like Food Stamps, Fuel Assistance, child support, income in excess of eligibility standards. . .family history . . .etc. It is not the intent of this regulation to assist a family to move into unaffordable housing, but to help as much as possible with a permanent housing plan that is realistically possible.

In this case, when the petitioner applied for EA in June 2004 her *gross* income from employment was \$772 a month. A rental share of \$600 a month is about 78 percent of this income. Considering that the petitioner's *take home* pay is considerably less than \$772, it is clear that a 2/3 share of the new apartment costs the petitioner a huge percentage of her available income.

Unfortunately, nothing in the petitioner's recent housing or work histories suggests that her income and other personal circumstances can reasonably be expected to improve significantly in the foreseeable future. If the petitioner were to lose her present job, her RUFA benefit would be \$610 a month, of which a 2/3 share of the rent on this apartment would consume over 98 percent.

Even the deposit payment of \$450, which the Department did approve as a *half* share of the rent (whether this was based on information provided by the petitioner at the time or the result of a mistake as to what it considered the petitioner's actual rent share to be), was well over 60

percent of the petitioner's take home income. Under these circumstances it must be concluded that the Department was acting well within the meaning and spirit of the EA regulations in not approving a deposit of \$600. It is, perhaps, fortunate that the petitioner appears to be managing to maintain her rent payments on such a limited income. However, it cannot be concluded that anything in the EA regulations can be viewed as *requiring* the Department in June 2004 to have paid \$600 toward her security deposit. Thus, the Board is bound to affirm the Department's decision in this matter. 3 V.S.A. § 3091(d), Fair Hearing Rule No. 17.

#